

NOTICE OF PROPOSED RULEMAKING

OFFICE OF THE STATE FIRE MARSHAL California Code of Regulations Title-19

The State Fire Marshal proposes to adopt the proposed regulations described below after considering all comments, objections or recommendations regarding the proposed action.

PUBLIC HEARING

The State Fire Marshal has not scheduled a public hearing on this proposed action. However, The State Fire Marshal will hold a public hearing if a written request is received from any interested party or their authorized representative no later than 15 days before the end of the 45-day comment period.

WRITTEN COMMENT PERIOD

The State Fire Marshal will accept written comments regarding this regulatory action until 5 pm on September 10, 2007.

Send mailed comments to:

OFFICE OF THE STATE FIRE MARSHAL
Attention: Diane Arend
P.O. Box 944246
Sacramento, CA 94244-2460

Or by e-mail to
ProposedPipelineSafetyFees@fire.ca.gov

Or you may fax your comments to:
Attention: Diane Arend
(916) 445-8459

AUTHORITY & REFERENCE

The State Fire Marshal is proposing this regulatory action pursuant to Government Code Sections: 51019 and 51019.05 with reference to 51010, 51013.5, 51014.5, 51019 and 51010.05, Government Code.

INFORMATIVE DIGEST - POLICY STATEMENT OVERVIEW

The State Fire Marshal proposes to: amend Title 19 CCR, Chapter 14, Section 2040 to address an increase in fees for interstate and intrastate pipeline operators.

Current Law requires the State Fire Marshal to establish and control a program in compliance with federal law relating to hazardous liquid pipeline safety and the regulations adopted pursuant thereto including, but not limited to, compliance

orders, penalties, and inspection and maintenance provisions, and including amendments to those laws and regulations.

This proposal amends section 2040. in Chapter 14, Hazardous Liquid Pipeline Safety, Title 19 CCR so the annual fees assessed from pipeline operators will maintain the current level of pipeline safety in the State.

The State Fire Marshal utilized the recommendations of the Pipeline Safety Advisory Committee, discussed the proposed regulation at a pipeline industry workshop in May 2007 and followed the recommendation of an internal agency audit to consider a fee increase to maintain services at the current level. The Western States Petroleum Association (WSPA) was also consulted.

Proposed Title 19 Modified Sections

Section 2040. is being proposed to be amended to address the cost and expenditures that have exceeded income due to increased program operating expenses from inflation, rising personnel costs and pipeline program expansion. The proposed modified fees have not been increased since 1987.

DISCLOSURES REGARDING THE PROPOSED ACTION

The State Fire Marshal has made the following determinations:

1. Mandate on local agencies and school districts: **None**
2. Cost or savings to any State agency: **None**
3. Cost to any local agency or school district which must be reimbursed in accordance with Government Code, Section 17561: **None**
4. Other non-discretionary cost or savings imposed upon local agencies: **None**
5. Cost or savings in federal funding to the State: **None**
6. Significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other States: **None**
7. Cost impact on representative private persons or affected businesses: The State Fire Marshal is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Adoption of these regulations will not:

- a) create or eliminate jobs within California;
 - b) create new businesses or eliminate existing businesses within California;
- or

- c) affect the expansion of businesses currently doing business within California.

8. Significant effect on housing costs: **None**

SMALL BUSINESS EFFECTS

The State Fire Marshal has made the initial determination that the amendments to these regulations will have no substantial effect to small businesses and the State Fire Marshal has not identified any alternatives that would lessen any adverse impact, if any, on small businesses. The State Fire Marshal amendment to these regulations increases the fees assessed for interstate and intrastate pipeline operators and maintains the current level of pipeline safety in the State.

CONSIDERATION OF ALTERNATIVES

The State Fire Marshal must determine that no reasonable alternative considered by it or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons or businesses than the proposed action.

The State Fire Marshal invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the written comment period.

CONTACT PERSON

Inquiries concerning the proposed regulatory action, or requests for copies of the proposed text of the regulations, the initial statement of reasons, the modified text of the regulations, or other information upon which the rulemaking is based may be directed to:

Diane Arend
P.O. Box 944246
Sacramento, California 94244-2460
Telephone: (916) 324-9592
Fax: (916) 445-8459
E-mail: diane.arend@fire.ca.gov

Alternate Contact:

Bob Gorham, Chief
CDF/Office of the State Fire Marshal
Pipeline Safety Division
3950 Paramount Blvd. #210
Lakewood, Ca 90712
Telephone: (562) 497-9102
Fax: (562) 497-9104
E-mail: bob.gorham@fire.ca.gov

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The Office of the State Fire Marshal will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at its office, shown above. As of the date this notice is published in the Notice Register the State Fire Marshal rulemaking file consists of this notice, the proposed text of the regulations, and the initial statement of reasons for the proposed action. The full text of the regulations, along with the final statement of reasons upon which the changes are based is available from the contact person as shown. Copies may be obtained by contacting Diane Arend at the address or telephone number listed above.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

Following the 45-day comment period, the State Fire Marshal may adopt the proposed regulations substantially as described in this notice. If modifications are made which are sufficiently related to the originally proposed text, the modified text – with changes indicated – shall be made available to the public for at least 15 days before the State Fire Marshal adopts (amends or repeals) the regulations as revised. Requests for copies of any modified regulations should be sent to Diane Arend at the address indicated above. The State Fire Marshal will accept written comments on the modified regulations for 15 days after the date on which they are made available.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, copies of the Final Statement of Reasons may be obtained by contacting Diane Arend at the above address.

AVAILABILITY OF DOCUMENTS ON THE INTERNET

Copies of the Notice of Proposed Action, the Initial Statement of Reasons and the text of proposed regulations, highlighted in underline and strikeout, can be accessed through our web-site at <http://osfm.fire.ca.gov>.